

299984-00004 (CLICK 201 APPEAL)

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS AND INTERFERENCES

Applicants: Oliver, et al.

Appeal No.: 2009-005524

Serial No.: 09/036,236

Filed: March 6, 1998

For: SYSTEM FOR MANAGEMENT OF TRANSACTIONS ON
NETWORKS

October 13, 2010

Board of Patent Appeals and Interferences
United States Patent and Trademark Office
P.O. Box 1450
Alexandria VA 22313-1450

Dear Sirs,

REQUEST FOR REHEARING PURSUANT TO 37 C.F.R. § 41.52

Pursuant to 37 C.F.R. § 41.52, applicant respectfully requests rehearing of the Appeal decided on August 13, 2010.

ISSUE 1

Has the Board of Patent Appeals and Interferences construed the claims to give them their broadest reasonable interpretation?

It is respectfully submitted that both the Examiner and the panel of the Board have failed to properly interpret the claims to define their broadest reasonable interpretation.

Claim 1 provides:

1. A system for managing client accounts and controlling access to resources over data networks, said system comprising:

(a) a mechanism for sharing client information and charges among a plurality of service providers;

(b) a client registration database maintained by one of the service providers (its "home provider") and includes information which selectively authorizes access to the resources of the other service providers ("outside providers"), each service provider maintaining an independent database of its respective clients;

(c) a settling means, separate from a respective home provider, for settling accounts among service providers by charging the home provider for access by its clients to the resources of the outside providers, the settling means accessing a respective home provider registration database, and communicating with an accounting database maintained separately from a respective registration database;

(d) a payment means adapted to assure that the outside providers are then paid for that access;

(e) a sharing means adapted to allow the service providers to share users without requiring an open account for each user at each service provider; and

(f) a verification means including a token and an authentication server adapted to allow each service provider to determine if a particular client is registered by a home provider, verify that the client has authenticated at his home provider, and determine that client's access privileges and criteria.

It is particularly noted that elements (c)-(f) of claim 1 each recite language in accordance with 35 U.S.C. § 112, 6th paragraph, and thus are properly interpreted in accordance with the scope of the corresponding elements recited in the specification. The Application, as filed, included a computer disk and a microfiche appendix which included software code

corresponding to applicants' operable embodiment of the invention. (See IFW p. 2231/2232, PTO/SB/05 3/6/98 IFW p. 2163/2232, p. 1 of specification (reference to Microfiche appendix)). Therefore, any construction of the scope of the claims, must consider the scope of the embodiments recited in the specification. Neither the examiner, nor the panel, properly constructed the claim in accordance with binding Federal Circuit precedent, and have not considered the scope of the claims as being commensurate with the disclosure. The claim construction is therefore in error. See, MPEP 2181 ("The USPTO must apply 35 U.S.C. 112, sixth paragraph in appropriate cases, and give claims their broadest reasonable interpretation, in light of and consistent with the written description of the invention in the application. See Donaldson, 16 F.3d at 1194, 29 USPQ2d at 1850 (stating that 35 U.S.C. 112, sixth paragraph "merely sets a limit on how broadly the PTO may construe means-plus-function language under the rubric of reasonable interpretation.")). (emphasis added)).

Claim 18 provides:

18. A method for managing client accounts and controlling access to resources over data networks, said method comprising:

- (a) sharing client information and charges among a plurality of service providers;
- (b) registering a client with one of the service providers (the "home provider") in a registration database, and allowing the client to access the resources of the other service providers ("outside providers"), each service provider maintaining an independent registration database of its clients;
- (c) settling accounts among service providers by charging the home provider for access by its clients to the resources of the outside providers, by accessing a respective home provider registration database, and communicating with an accounting database maintained separately from a respective registration database;
- (d) assuring that the outside providers are paid for access by of a home provider for a client's access to the outside provider's resources;
- (e) allowing the providers to share users without requiring an open account for each user at each service provider; and
- (f) allowing each provider to determine if a particular client is registered, verifying that the client has authenticated at his home provider, and determining that client's access privileges and criteria.

Similar to claim 1, At least step (d) of claim 18 is does not recite sufficient structure, material, or acts which would preclude application of 35 U.S.C. 112, sixth paragraph.

Indeed, this is not a new issue presented after the panel decision: This issue is believed to have been raised by the Examiner on page 18 of the Final Office Action, and in Applicants Appeal Brief on pages 39-40/108.

Had the claims been properly constructed, they would have been interpreted, for example, to require a separate accounting database from a registration database.

For example, the specification provides discussion relevant to the “settling means”, as follows:

[0297] 5.15. Settlement of Usage Data

[0298] The prototype implementation of the Clickshare/TVS service provides a Settlement Service as a distinct database-management application which operations in conjunction with the TVS logging engine. This Settlement Service stores records of user access to resources by Service Provider and by user within Service Provider and prepares the records for batch deliveries to the individual user's Service Provider. The Settlement Service also outputs charge records aggregated by Service Provider in a format which can be accepted by gateways to the U.S. banking industry's Automated Clearing House (ACH) service for electronic debiting and crediting of Service Provider and Publishing Member banking accounts. Finally, the Settlement Service outputs charge records aggregated by end user within Service Provider to a Billing Service in a format specific to the most common PC-based program for application of charges to credit-card gateways. Finally, Clickshare contemplates an interface for outputting individual, aggregated user charges in a format which can be employed by resellers of telephone company billing services to apply transactional charges to telephone bills or other billing facilities.

The system described in Exhibit “O” does not teach or suggest an accounting database, and therefore it does not anticipate at least claims 1-34.

It has not been considered whether the remainder of the claims, 35-82 and 85-88, are subject to 35 U.S.C. § 112. Sixth paragraph. However, to the extent that these claims do recite means plus function, or step plus function, similar considerations apply, and the Board must consider this issue.

ISSUE 2

Whether The Board must Independently Find existence of a Prima Facie rejection before the Burden of Proof Passes to Applicant.

35 U.S.C. § 102 provides “Conditions for patentability; novelty and loss of right to patent. A person shall be entitled to a patent unless - ...” It is believed that this statute requires, at all levels of the United States Patent and Trademark Office given authority to examine applications and issue rejections, including the Board of Patent Appeals and Interferences, that the burden remain on the Agency to adduce proof. In particular, it is not believed that 35 U.S.C. § 134 shifts the burden of proof.

With respect to claims 9 and 26, applicants provided the following arguments:

CLAIM 9

Claim 9 provides a system which includes an acceptance means by which a client's token is accepted by a service provider from whom the client wishes to receive services or goods across a data network, and is instantaneously submitted to the common service point, which, if the token's contents match that of a token in the common service point's dynamic session database, returns preference, pricing and service-class information about the requesting client, prior to the providing of the requested services or goods across a data network. This is neither taught nor suggested by Exhibit O. Exhibit L fails to remedy this deficiency. It is noted that Exhibit L, while bearing a Copyright date of 1995, is actually cached by archive.org on November 12, 1996. The Third Declaration of William P. Densmore Jr. October 3, 2005 does not dispute its purported date, in paragraph 24, but does note that this document is prophetic, as is Exhibit O, in that it speaks of the future capabilities of the system, without providing sufficient details regarding implementation to render it enabling or to remediate the fundamental deficiencies of Exhibit O. There is no evidence that this document was publicly released in 1995, and therefore it may not be a prior art reference.

CLAIM 26

Claim 26 provides a method which includes an acceptance step by which a client's token is accepted by a service provider from whom the client wishes to receive services or goods across a data network, and is instantaneously submitted to the common service point, which, if the token's contents match that of a token in the common service

point's dynamic session database, returns preference, pricing and service-class information about the requesting client, prior to the providing of the requested services or goods across a data network. This is neither taught nor suggested by Exhibit O. Exhibit L fails to remedy this deficiency. It is noted that Exhibit L, while bearing a Copyright date of 1995, is actually cached by archive.org on November 12, 1996. The Third Declaration of William P. Densmore Jr. October 3, 2005 does not dispute its purported date, in paragraph 24, does note that this document is prophetic, as is Exhibit O, in that it speaks of the future capabilities of the system, without providing sufficient details regarding implementation to render it enabling or to remediate the fundamental deficiencies of Exhibit O. There is no evidence that this document was publicly released in 1995, and therefore it may [not] be prior art reference.

Therefore, in contrast to the finding of the panel that:

“claims 9 and 26 ... merely cite what each respective claim recites. Again, a statement that merely points out what a claim recites will not be considered an argument for separate patentability of the claim. 37 C.F.R. § 41.37(0)(1) 2008. For these reasons the rejection of claims 9 and 26 is sustained.”

Applicants have clearly challenged the very existence of a *prima facie* case, and further analysis by the Board to consider that issue is required. The Board does not, and cannot reasonably, conclude that the various press releases provide an enabling disclosure of the scope of claims 9 and 26:

9. A system as recited in Claim 7, which includes an acceptance means by which a client's token is accepted by a service provider from whom the client wishes to receive services or goods across a data network, and is instantaneously submitted to the common service point, which, if the token's contents match that of a token in the common service point's dynamic session database, returns preference, pricing and service-class information about the requesting client, prior to the providing of the requested services or goods across a data network.

26. A method as recited in claim 24, which includes an acceptance step by which a client's token is accepted by a service provider from whom the client wishes to receive services or goods across a data network, and is instantaneously submitted to the

common service point, which, if the token's contents match that of a token in the common service point's dynamic session database, returns preference, pricing and service-class information about the requesting client, prior to the providing of the requested services or goods across a data network.

Likewise, Applicants have preserved the issue of whether the references establish a prima facie case for claims 35-62. For example, there is a detailed discussion of Exhibit "O" on pages 36-42 of the Appeal Brief, and the discussion of claim 35 states: "Exhibit "O" is distinguished as discussed herein.... With respect to claims 35-36 and 47, and more generally 35-62, applicants have submitted Declarations antedating the effective date of Teper, which have not been fully considered by the Examiner, even though presented for consideration prior to the Final rejection appealed herein." Since the Board had not yet decided the issue of whether the Declarations were of record, further analysis of the content of the Declarations was considered premature. The appropriate remedy here, with an insufficient record based on the failure of the Examiner to make express findings regarding the content and persuasiveness of the declarations, is to remand the application for consideration of all of the evidence by the Examiner. An implicit finding by absence of analysis is not to be afforded deference. Indeed, the Board has also failed to consider the content of the Declarations, stating:

As the record before us does not show that the Declaration of David M. Oliver, William P. Densmore, Jr. and Michael J. Callahan was officially entered into the file or that the Third Declaration of William P. Densmore was not considered by the Examiner, and since the Appellants have not argued for any specific limitations present in the claim, the rejection of claims 35-62 is sustained.

35 U.S.C. § 132 requires:

35 U.S.C. 132 Notice of rejection; reexamination.

(a) Whenever, on examination, any claim for a patent is rejected, or any objection or requirement made, the **Director shall notify the applicant thereof, stating the reasons for such rejection, or objection or requirement, together with such information and references as may be useful in judging of the propriety of continuing the prosecution of his application;** and if after receiving such notice, the applicant persists in his claim for a patent, with or without amendment, the application

shall be reexamined. No amendment shall introduce new matter into the disclosure of the invention.

Therefore, it is respectfully submitted that the Board must itself consider, or remand for express consideration on the record, all of the evidence. It is the Board's responsibility to determine whether the rejection should be sustained, without deference to the Examiner, and by drawing negative inferences, the Board has abdicated its responsibilities.

ISSUE 3

Whether the Board has is Required to Determine a Question of Priority of Invention?

Applicants expressly raised the issue of whether sufficient evidence was presented during prosecution of the application before the Examiner to antedate Teper, US 5,815,655. Nowhere in the Panel decision is there any discussion of whether Applicants' evidence was sufficient to overcome Teper as a reference, and the Board deferred to an inferential finding by the Examiner. The Board simply concluded that Applicants had not adequately distinguished Teper, without addressing the underlying issue of whether there was any requirement for Applicants to do so.

Applicants submitted a number of Declarations specifically addressing this issue, and nowhere in the official record is there any express analysis as to why Applicants' evidence is deficient or unpersuasive, as required by 35 U.S.C. § 132.

Indeed, the Board finds evidence that Applicants' early public disclosures, which were published before the priority date of Teper, were enabling for at least prior art purposes against the claims. It would appear that this specific finding is, or potentially is, inconsistent with a finding that Applicants themselves were not in possession of the claimed invention at the time of publication of the references now sustained as a basis for rejection. This inconsistency must be resolved. It is noted that, if the inventors themselves were not in possession of the very invention suggested by their own disclosures, the Board implicitly finds that the inventors themselves were beneath the ordinary skill in the art. While this is not a legal impossibility, it would require an express finding by the Board of the level of skill in the art, which is absent from the panel decision.

ISSUE 4

Whether a non-patent reference, whose veracity and scope of disclosure is specifically challenged, may be presumed enabling by the Examiner to shift the burden of proof to Applicants?

The Panel decision states:

Principles of Law Relating to Enablement of a Reference under Anticipation Rejection

"In order to anticipate, a prior art disclosure must also be enabling, such that one of ordinary skill in the art could practice the invention without undue experimentation. The standard for enablement of a prior art reference for purposes of anticipation under section 102 differs from the enablement standard under 35 U.S.C. § 112." *Novo Nordisk Pharm., Inc. v. BioTechnology Gen. Corp.* 424 F.3d 1347, 1355 (Fed. Cir. 2005) (internal citations omitted.) While section 112 "provides that the specification must enable one skilled in the art to 'use' the invention," *Id.* "section 102 makes no such requirement as to an anticipatory disclosure. Rather, anticipation only requires that those **suggestions be enabled to one of skill in the art.**" Whether a prior art reference is enabling is a question of law based upon the underlying factual findings." *Id.* (internal citations omitted). Proof of efficacy is not required for a prior art reference to be enabling for purposes of anticipation. *Impax Labs. Inc. v. Aventis Pharm. Inc.*, 468 F.3d 1366, 1383. That is a section 102 prior art reference does not have to be "effective" to be enabling and thus anticipating. *Id.* **Rather, the proper issue is whether the patent is enabling in the sense that it describes the claimed invention sufficiently to enable a person of ordinary skill in the art to carry out the invention.** *Impax Labs* at 1383. (Emphasis added).

The panel decision concludes that Exhibit "O" is *presumed* to be enabling, absent factual evidence from the Examiner detailing the efforts that would have been required to implement the claimed invention, and a factual analysis that these efforts would have been enabling to a person of ordinary skill in the art, and any factual analysis of the level of skill in the art. Indeed, the panel decision refers only to the claims and the reference, and makes no effort to construe the specification and therefore the scope of the claims in accordance with 35 U.S.C. § 112, sixth paragraph. At least claims 1 and 18 should be considered subject to 35 U.S.C. 112, sixth paragraph, and therefore the question of enablement must be addressed only after the claim is properly constructed.

The Board's analysis leads to a logical inconsistency: If the claims are used as a guide to enablement, and the inquiry is formulated as, after reading the claim, could a person of ordinary skill in the art place it into operation, a narrow claim with specific details, even if arcane, will be more "enabled" than a broad claim reciting only generic features. However, when one looks at

the underlying law and principles, it is the narrower claim which should have a higher standard of enablement. Thus, the legal analysis proffered by the Board cannot be correct.

The error, apparently, is to legitimize the use of hindsight reconstruction of the claim as a basis for considering enablement, and to the extent that existing precedent permits such an analysis, Applicants respectfully suggest that this precedent should be reconsidered and overturned.

The proper framework for analysis for enablement is similar to that for obviousness; would a person of ordinary skill in the art, without the benefit of applicants' disclosure or claims, be enabled. In a simple combination invention where no modification of elements is required, a mere showing of prior knowledge of the separate elements might be sufficient. However, where the elements themselves are not part of the prior art, the Examiner must identify the that the particular details or modifications of the elements necessary, and specifically show that these are within the capability of the person of ordinary skill, without the exercise of inventive efforts. The question of inventive efforts itself invokes an analysis under 35 U.S.C. § 103. The Examiner's rejection, and the analysis presented in the Panel decision, are both deficient in this regard, and specifically fail to detail the specific prior art elements, the modifications necessary, and why these are enabled. The Board apparently finds in this case that the required computer programming to achieve functional specifications of the claimed structures and functions is within the ordinary skill in the art. However, this finding is not supported by any facts, and is simply an unsupported opinion drawn without benefit of evidence. Indeed, this finding rejects the only facts of record, presented in the declarations, which conclude that Exhibit "O" and Exhibit "L" would not have enabled a person of ordinary skill in the art to practice the invention, specifically because the missing components (accounting system and payments) were problematic.

The reason why an issued US patent is presumed enabling is that it is executed under oath by the inventors, is specifically examined for the issue of enablement by a trained patent examiner, and is provided with a presumption of validity by 35 U.S.C. § 282. None of these reasons applies to a non-patent reference, and the analogy adopted by the Board must fail.

The Panel decision states:

"Further, this Board has in fact decided cases where the presumption of enablement of anticipatory non-patent prior art references was at issue. See Given

Imaging, Ltd. Appeal 2009-0649 at Concurrence 1-6 (BPAI, non-precedential); Ex Parte Lu, Appeal No. 2007-1893 at 4-7 (BP AI 2007, non-precedential); and Ex Parte Swartzel Appeal No. 1998-2941 at 20-21 (BPAI 1999, non-precedential). Thus, the burden this case is placed up on the Appellants.”

It is not seen how a limited number of non-precedential panel decisions, with no supporting higher authority, serves to impose an obligation or burden on Applicants. At the very least, the Board must provide explicit finding of fact and conclusions of law in this case, since the prior decisions are non-precedential, which it has failed to do. It is further respectfully submitted that, to the extent that these panel decisions purport to stand for the proposition that all non-patent references are presumed enabling, and therefore the burden is always on the applicant to rebut that presumption, that proposition is in error, and must be reversed.

In this case, Applicants have indeed presented evidence in the form of Declarations which impugn the enablement of Exhibit “O” and Exhibit “L” with respect to applicants claimed invention. Simply, these press releases describe a system at an early stage of development and which was missing a critical element which had not yet been developed by the inventors. All that was provided were vague statements as to how the assignee thought the missing pieces might be implemented, using vague language, such as “resembling an ATM network”, to describe very complex computer systems. Note that “ATM network” is itself ambiguous, referring in the literature to either an Asynchronous Transfer Mode communications network, or to an Automated Teller machine Network. With respect to the later, these traditionally operate with secure discrete user terminals, within secure private networks, and thus security of the physical communications layer is possible. No “tokens” are employed, and no anonymous transactions are supported. Indeed, ATM terminals have video cameras to specifically permit identification of the user. On the other hand, the present system is intended for use on a public, interoperable network (e.g., the Internet), with potential anonymity with respect to the service provider, and therefore a person of ordinary skill in the art would understand that the analogy to an ATM network provided has limited value, and indeed must be rejected in practice. That is, in many ways, the claimed invention is not like an ATM network, and a person guided by that statement would derive a very different, and perhaps unworkable, result than that claimed. Therefore, even if the burden of proof is shifted to Applicants, Applicants have met that burden to prove non-enablement.

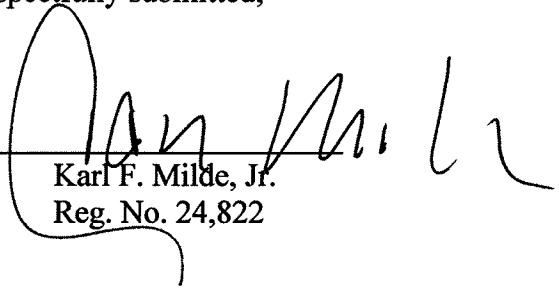
CONCLUSION:

Applicants respectfully request rehearing of this Appeal. It is further requested that Applicants be provided with an opportunity to submit a revised Appeal Brief which reflects the conclusions in the Panel decision to streamline the issues.

ADDITIONAL FEE:

Please charge any insufficiency of fee, or credit any excess, to Deposit Account No. 02-2556.

Respectfully submitted,

By 
Karl F. Milde, Jr.
Reg. No. 24,822

Eckert Seamans Cherin
& Mellott, LLC
U.S. Steel Tower
600 Grant Street – 44th Floor
Pittsburgh, PA 15219-2788

(412) 566-6000

Direct: (914) 286-2819